

CUSTOMER-BASED BRAND VALUE AND ITS EFFECTS ON ENHANCING DESTINATION EQUITY IN RURAL TOURISM

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Abstract: *Customer-based brand value is used to show how a brand's success can be directly attributed to customers' attitudes towards a certain brand. Brand as a generic concept is equally applicable in the field of the place marketing, so it is possible to conclude that tourist destinations can also be understood as unique brand allowing them to obtain higher values that are delivered to consumers. Therefore, it is more than clear that consumer perception of the brand plays a very important role in the domain of destination management. However, many previous research results are predominantly devoted to mainstream topics in tourism, ignoring the potential impact of customer-based brand value on the development of a competitive environment for building brand infrastructure in rural tourism. The aim of this paper is to study the effects of customer-based brand values on destination equity in rural tourism. To do this, a survey was conducted with 326 respondents in the territory of the Republic of Croatia and for this purpose a PLS-SEM model was evaluated. The results show a significant positive impact on rural destination equity through established customer-based brand values. Moreover, the enhancing destination equity in rural tourism is mediated by certain elements of perceived quality and destination image. This research points out that even rural areas can benefit through the application of innovative place and brand marketing strategies. It also emphasizes the need for greater orientation and strategic linking of local authorities and DMOs in creating a more attractive rural destination brand.*

Key words: *brand, customer-based brand value, destination equity, rural tourism.*

INTRODUCTION

Consumer-based brand equity is primarily based on what consumers feel and think about it. Although a brand is often identified by laypeople with its external tangible attributes, a brand is very often based on a whole series of intangible elements that marketing organizations develop with the aim of building a strong and positive association in the minds of consumers [8,15], which can lead to increased consumer loyalty, higher sales and higher profitability [4,12]. In fact, the issue of whether consumers and brands represent an emotional connection that cannot always be interpreted rationally. Consumer-based destination brand equity shows the strength of consumers' attitudes towards the brand and how this can lead to the success or failure of the brand [13]. According to Keller and Swaminathan (2020) [10], marketing organizations should develop four key components when building a brand, such as brand loyalty, brand recognition, perceived quality and brand associations. These components are interconnected and work together to create a strong brand that resonates with consumers. Also, a somewhat broader interpretation of the brand value model for a tourist destination, in addition to the already mentioned elements of the destination brand, includes reputation and satisfaction with the brand, with a special note that brand loyalty is a key construct of brand value [6]. The value of a brand is determined by the perception and attitudes of consumers towards it. This value is known as brand equity and can be divided into four key components [10] salience, effectiveness, image and evaluation. Salience is the associations or reminiscences consumers have with a particular product or category. An effective brand must always satisfy the functional needs of consumers, which can be achieved with product quality, reliability and durability. Brand image refers to intangible aspects such as its personality and intrinsic value, or its DNA [9]. Brand evaluation refers to the general attitudes and perceptions that consumers have towards a brand. This is influenced by factors such as

brand credibility, brand relevance and brand consideration. By understanding these components, marketing organizations can develop strategies to improve their brand equity and increase consumer loyalty.

Factors that generate consumer-based brand values and have an impact on building destination equity in rural tourism and are crucial for effective destination management [2,3]. Therefore, destination equity is relevant in the context of a tourist destination, especially a rural one, because it allows the industry to predict the total value generated by current, repeat and potential tourists [5]. Destination equity has a more positive impact on consumers than brand equity itself [14]. Therefore, destination equity is relevant in the context of a tourist destination, especially a rural one, because it allows the industry to predict the total value generated by current, repeat and potential tourists [11].

The paper deals with the examination of certain value elements as a part of construct of consumer-based brand value which predefine destination equity in rural tourism.

Therefore, it can be said that the total consumer-based brand value of a destination is a combination of salient elements that can be called the total value of goods or services that tourists/customers experienced during their vacation at a particular destination, which distinguishes that destination feature from other destinations [1].

In this sense, the aim of the research is to identify a model of brand equity of a rural tourist destination and assess the relationships between the elements of consumer-based brand value of a rural tourist destination.

The purpose of the paper is to point out the influence of the construct of consumer-based brand equity and its impact on enhancing destination equity in rural tourism, which can further strengthen the promotion of rural tourism in Croatia..

MATERIALS AND METHODS

Data were collected via a survey questionnaire, distributed to the general Croatian population online from May to July 2024. The scale consisted of three parts: a consumer-based destination brand value construct consisting of three components: quality perception (QP), brand satisfaction (BS), travel intention (TI), a destination equity construct consisting of the elements of prominence (PR), image (IM) and effectiveness (EF), and visitor demographics. For this purpose, a survey was conducted with 326 respondents in the area. The sample consisted of 400 domestic visitors. A total of 353 responses were collected from 400 distributed questionnaires. However, 27 of them were invalid due to too many unanswered questions. The final sample consisted of 326 usable questionnaires for factor analysis, which was sufficient for the analysis of structural models using partial least squares structural equation modelling analysis as followed by Hair et al. (2017) [7]. This study used personality and demographic characteristics consisting of age group, gender, and education level. There were 16 questions in total, measured on a 5-point Likert scale to measure attitudes and opinions ranging from 1 meaning "strongly disagree" to 5 meaning "strongly agree". All questions or survey items were tested to ensure the validity and reliability of the measurement scales.

RESEARCH RESULTS

There are three questions asked about the personal and demographic characteristics consisting of age group, gender, and level of education qualifications. Demographic and personal information collected from the survey are shown in table 1.

Table 1.

The structure of research sample

Gender	Male	48.5%	Female	51.5%
Age	18–23 years	7.56	51–60 years	13.55
	24–30 years	13.24	61–70 years	11.78
	31–40 years	15.02	71–80 years	9.56
	41–50 years	27.24	81→	2.05
	Education	secondary	42.66	
	higher	57.34		

Source: Author

As regards the composition of the sample, most of the domestic tourist agreed to participate in the survey were female (51.5%), and male (48.5%). Regarding age category, there were 7.56% respondents in the age category 18-23 years, 13.24 % in the age category 24-30 years, 15.02% the age category 31-40 years, 27.27% the age category 41-50 years, 13,55% the age category 51-60 years, 11.78% the age category 71-80 years and in the category above 81 years there were 2.05% respondents. There were 42.66% of respondents with secondary education, while 57.34% of respondents with higher education participated in the survey.

Figure 1 shows the structure of statistically significant relationships between the consumer-based construct of destination brand value consisting of quality perceptions (QP), brand satisfaction (BS) and travel intentions (TI), and its effect on the dependent construct of Destination Equity, which is manifested through the elements of prominence (PR), image (IM) and effectiveness (EF).

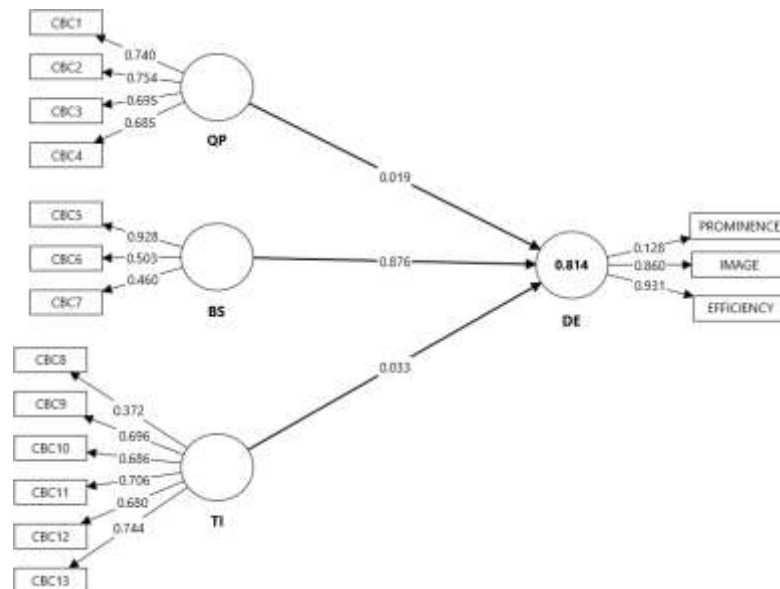


Figure 1. Relationships between the consumer-based construct of destination brand value

Source: Author

Path diagram shows the R2 for DE very high value (0.814). This model has strong predictive power within the model. Satisfaction with the brand is obviously the most important element that defines consumer expectations in terms of the realized perception of the rural tourism destination. Unfortunately, the research did not establish a significant contribution of elements such as quality perception to the value of the rural tourism brand, as well as the intention to travel.

Namely, it is obvious that brand satisfaction is the most important contributor to brand value in rural tourism. Through research questions, it is defined by the elements of the prominence of the brand, its image, as well as the effectiveness of the brand. The results of the research show that the most important elements of brand value are its image and effectiveness, while prominence has no greater importance.

CONCLUSIONS

The main findings of this study indicate that an attempt was made to explore a model of rural tourism destination brand equity consisting of three dimensions such as brand salience, brand image and brand effectiveness.

Second, this study used a PLS SEM approach from the perspective of Croatian rural tourists, confirming the causal relationships between the proposed model elements.

The results of this study can provide local governments with better ways to create brand value for rural tourism destinations. First, brand satisfaction has been shown to be very effective in forming rural brand value. Creating brand value and improving tourists' willingness to revisit have become an inevitable strategic choice for rural tourism destinations.

Unfortunately, elements such as quality perception and travel intention as the elementary foundation of the customer-based brand value construct, apparently in the researched case did not contribute to a greater extent to building brand equity in rural tourism in Croatia. Therefore, the local DMO should strive to improve tourists' awareness of quality perception and more effectively manage strategies and campaigns that more effectively stimulate travel intention to rural destinations..

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